

MEETING THE NEEDS OF THE CONSTANTLY
CHANGING ENERGY INDUSTRY



Global Energy Partners, LLC

An Employee – Owned Company

PG&E Automated Demand Response Program

2007 Program Design

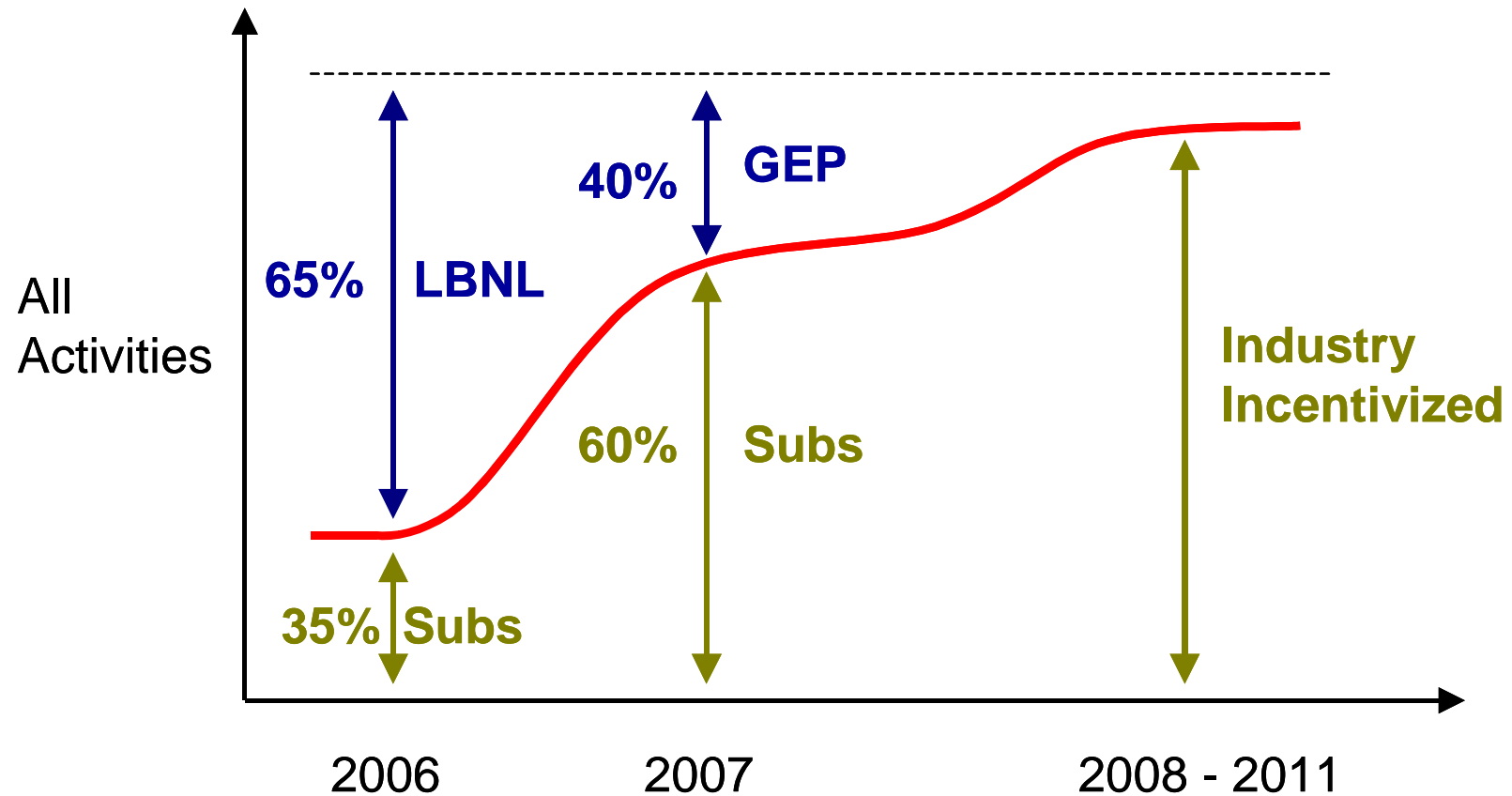
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AutoDR Program Overview

- Follows proposed plan outlined by PG&E in 8/30/06 letter to CPUC (pp 27-29) and draft CPUC decision dated 10/30/06
- Program Goals:
 - Program implementation expenditure of \$2 million (derived from existing PG&E TA/TI funds)
 - Peak demand reduction of 15 MW
 - Commercialization of AutoDR program delivery
- DR program focus for 2007 includes Critical Peak Pricing (CPP) and Demand Bidding (DBP), with other DR reliability programs assessed for future years

Commercialization Plan



Role of TA/TI Program

- Key to the success of 2007 AutoDR program lies with the use of additional TA/TI funds as a vehicle for enhancing participation
- Current TA/TI program structure is not compatible with AutoDR participant needs
- New program structure would set a cap of \$250/kW with the following elements eligible for funding:
 - Recruitment
 - Technical coordination
 - Hardware
 - Installation and programming
 - Customer participation incentives
- Alternative delivery approaches under consideration to reduce lag time between application submittal and payment of funds

TA/TI Program Mechanism

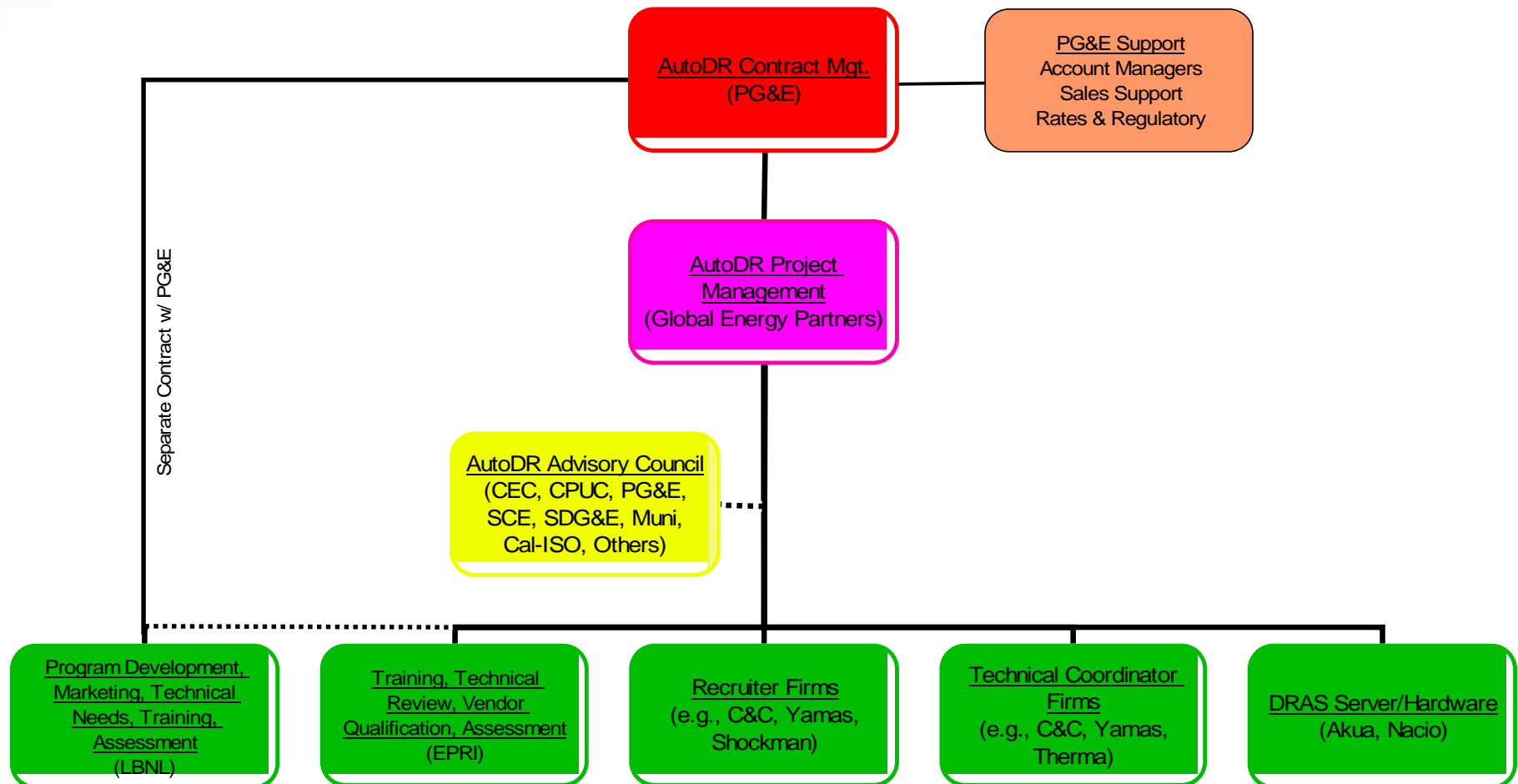
Representative Incentive Structure

Description		Budget (\$000)				
		Recruiter Firm(s)	Technical Coord. Firm(s)	AutoDR Hardware Vendor	Customer/ AutoDR Participant	TOTAL
1	Recruitment Activities (Assumes \$2000 per site for 200 sites)	\$400				\$400
2	Technical Coordination Activities (Assumes \$2000 per site for 200 sites)		\$400			\$400
3	AutoDR Hardware (Assumes \$1500 per site for 160 sites)			\$240		\$240
4	Equipment Installation and EMCS Programming (Assumes \$5000 per site for 200 sites)				\$1,000	\$1,000
5	Customer Incentives (Assumes \$7500 per site for 200 sites)				\$1,500	\$1,500
TOTAL -- TA/TI Program		\$400	\$400	\$240	\$2,500	\$3,540
MW:						15
\$/kW:						\$236

Typical Steps in AutoDR Participation

1. Universe of participants are identified
2. Prospective participant is contacted through coordination with utility account representative
3. Initial assessments are made to determine viability of participant for AutoDR
4. Recruitment process concludes with establishment of an AutoDR Plan
5. Technical coordinator works with participant to specify AutoDR load reduction strategies and corresponding equipment
6. Technical coordinator oversees AutoDR installations and processes customer incentives
7. Technical coordinator maintains contact with customer during program operations

Project Organization



Scope of Work

- Task 1: Develop TA/TI program modification provisions
- Task 2: Develop marketing collateral
- Task 3: Qualify recruitment and technical coordinator vendors
- Task 4: DRAS development activities
- Task 5: Train selected recruitment and technical coordinator vendors for AutoDR implementation
- Task 6: Conduct initial customer screening, recruitment and AutoDR "Plans"
- Task 7: Conduct AutoDR assessments and formalize participation

Scope of Work (cont.)

- Task 8: Coordinate AutoDR installations and incentive processing
- Task 9: Validate AutoDR system installations
- Task 10: Conduct AutoDR system tests
- Task 11: Operate AutoDR program
- Task 12: Evaluate and refine program design

Schedule

MONTH	Dec-06				Jan-07				Feb-07				Mar-07				Apr-07				May-07				Jun-07				Jul-07				Aug-07				Sep-07				Oct-07				Nov-07			
WEEK	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48
TASK																																																
1	Develop TA/TI program modification provisions																																															
2	Develop marketing collateral.																																															
3	Qualify recruitment and technical coordinator vendors																																															
4	DRAS development activities.																																															
5	Train selected recruitment and technical coordinator vendors for																																															
6	Conduct initial customer screening, recruitment and customer agreements																																															
7	Conduct AutoDR assessments and formalize participation.																																															
8	Coordinate AutoDR installations and incentive processing.																																															
9	Validate AutoDR system installations.																																															
10	Conduct AutoDR system tests.																																															
11	Host the AutoDR automation server																																															
12	Operate AutoDR program																																															
13	Assess and refine AutoDR program design.																																															

Notes: Lighter shade represents informal project activities.

AutoDR program start date assumes 12/15/06; delays beyond that date risk achievement of goals.